

**4.0 SOLID WASTE MANAGEMENT PROGRAM**  
**PRIVATE ENTITY LOAN APPLICATION FORM**

# **Solid Waste Management Program Private Entity Loan Application**

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A. If there is not enough room, attach additional sheets. If the requested information is all ready included in the Business Plan, please indicate where it is located.

Date: \_\_\_\_\_

**Amount of loan requested** \_\_\_\_\_

Please check type of loan being applied for:

\_\_\_\_\_ Recycling    \_\_\_\_\_ Disposal/Waste Management    \_\_\_\_\_ Tire Disposal

## **4.1 APPLICANT INFORMATION**

NAME OF APPLICANT BUSINESS: \_\_\_\_\_

AFFILIATED BUSINESSES: \_\_\_\_\_

COMPANY CONTACT: \_\_\_\_\_

BUSINESS ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP CODE: \_\_\_\_\_

BUSINESS TELEPHONE: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

NAME OF INDIVIDUAL COMPLETING THIS FORM: \_\_\_\_\_

COMPANY AFFILIATION: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

TAXPAYER IDENTIFICATION NUMBER

Federal: \_\_\_\_\_ State: \_\_\_\_\_

TAX YEAR ENDS: \_\_\_\_\_

STATE UNEMPLOYMENT INSURANCE IDENTIFICATION #: \_\_\_\_\_

If the employer's identification number for this project is different from the numbers for the firm listed, please complete the following:

Employer's Identification # Federal \_\_\_\_\_ State: \_\_\_\_\_

## 4.2 PURPOSE OF THE LOAN

DESCRIPTION OF THE PROJECT AND REASON FOR THE LOAN:

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The estimated date construction or acquisition will commence: \_\_\_\_\_

The estimated completion and installation date: \_\_\_\_\_

Useful life of the proposed project: \_\_\_\_\_

THIS SECTION INCLUDES ALL SOURCES OF FUNDS, INCLUDING THE NON-SWMP SOURCES OF FINANCING:

<u>Uses of All Funds</u>	<u>Useful Life</u>	<u>Total Costs</u>	<u>Proposed Source</u>
Land Acquisition	_____	\$ _____	_____
Land Improvements	_____	\$ _____	_____
Building	_____	\$ _____	_____
Site Improvements	_____	\$ _____	_____
Repairs/Renovations	_____	\$ _____	_____
Construction	_____	\$ _____	_____
Construction Fees	_____	\$ _____	_____
Equipment and Installation	_____	\$ _____	_____
Furniture and Fixtures	_____	\$ _____	_____

<u>Uses of All Funds</u>	<u>Useful Life</u>	<u>Total Costs</u>	<u>Proposed Source</u>
Other Construction Costs	_____	\$ _____	_____
Inventory	_____	\$ _____	_____
Trade Receivable	_____	\$ _____	_____
Work-in-progress Inventory	_____	\$ _____	_____
Financing Fees	_____	\$ _____	_____
Other Costs	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
<b>TOTAL</b>	_____	\$ _____	_____

REQUESTED SOURCES OF FINANCING: (Please attach copies of commitment letters for each source of financing. Letters must contain the specific terms and conditions.)

A. Source of Long-Term Financing (including SWMP financing)

<u>Name of Lender</u>	<u>Purpose</u>	<u>Amount</u>	<u>Terms</u>	<u>Collateral Position*</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*Position may be negotiated among the parties involved.

B. Source of Interim (Construction) Financing

<u>Name of Lender</u>	<u>Purpose</u>	<u>Amount</u>	<u>Terms</u>	<u>Collateral Position*</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*Position may be negotiated among the parties involved.

C. Source and amount of equity funding

<u>Source</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

## 4.3 BUSINESS INFORMATION

THE COMPANY IS A :

\_\_\_\_\_ Sole Proprietorship    \_\_\_\_\_ Partnership    \_\_\_\_\_ S-Corporation

\_\_\_\_\_ Other (specify) \_\_\_\_\_    \_\_\_\_\_ C-Corporation

DATE BUSINESS ESTABLISHED IN SOUTH DAKOTA: \_\_\_\_\_

DATE BUSINESS ESTABLISHED OUT OF SOUTH DAKOTA: \_\_\_\_\_

STATE OF INCORPORATION: \_\_\_\_\_

PRIMARY BUSINESS ACTIVITY:

\_\_\_\_\_ Landfill    \_\_\_\_\_ Hauler    \_\_\_\_\_ Recycler    \_\_\_\_\_ Waste Tire

\_\_\_\_\_ Other (specify) \_\_\_\_\_

BUSINESS DESCRIPTION: \_\_\_\_\_

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<u>Plant/Office Location(s)</u>	<u># of Employees</u>
_____	_____
_____	_____
_____	_____

If an expansion is occurring at a site other than the main office, please complete the following:

EXPANSION ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

**MAJOR STOCKHOLDERS, PARTNERS OR PROPRIETORS:**

(10% or greater interest. Attach personal financial statements and resumes for each person listed.)

<u>Name</u>	<u>Address &amp; Phone Number</u>	<u>Compensation</u>	<u>Social Security Number</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**MANAGEMENT INFORMATION**

(List all the officers, directors, or general partners. Attach resumes.)

<u>Name &amp; Title</u>	<u>Address &amp; Phone Number</u>	<u>Compensation</u>	<u>Social Security Number</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Indicate officers salaries and number of officers for past three fiscal years:

FY 19\_\_\_: officer salaries were \$\_\_\_\_\_ for \_\_\_\_\_ officers.

FY 19\_\_\_: officer salaries were \$\_\_\_\_\_ for \_\_\_\_\_ officers.

FY 19\_\_\_: officer salaries were \$\_\_\_\_\_ for \_\_\_\_\_ officers.

Interim \_\_\_\_\_ months: officer salaries were \$\_\_\_\_\_ for \_\_\_\_\_ officers

**BANKS WHERE BUSINESS AND PRINCIPALS' PERSONAL ACCOUNTS ARE MAINTAINED:**

<u>Name</u>	<u>Phone</u>	<u>Type of Account</u>	<u>Account Number</u>	<u>90 Day Average Balance</u> (obtain from bank officer)
_____	_____	_____	_____	_____

PRESENT BUSINESS TRADE CREDITORS OR TRADE REFERENCES:

<u>Name</u>	<u>Phone #</u>	<u>Type of Account</u>	<u>Account Number</u>	<u>Balance</u>	<u>Date</u>

#### 4.4 PROPOSED COLLATERAL SUMMARY

(Include additional assets to be acquired with loan proceeds)

	<u>Cost/Book Value *</u>	<u>Appraised Market Value</u>
A. Land		
B. Building		
C. Machinery & Equipment		
D. Furniture & Fixtures		
E. Trade Receivable		
F. Inventory		
G. Work-in-progress Inventory		
H. Personal and/or		
Corporate Guarantees		
I. Other (specify)		
_____		
_____		
TOTAL COLLATERAL		

\*Cost is the purchase price if less than one year old. Book value is the purchase prices less accumulated depreciation. Please state which value is used.

Identify personal and corporate guarantees and other collateral for this loan:

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**4.5 CUSTOMER SUMMARY**

Identify and describe the area anticipated to be served by the proposed project. Include a list of communities, counties, and major businesses to be served. Identify the top 5 customers or those customers that are anticipated to provide more than 10 percent of the material to be collected, processed, and marketed. (Customers – i.e. those individuals or businesses anticipated to provide material to the proposed facility for disposal or recycling.)

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**4.6 MARKET INFORMATION**

1. Describe the market that exists for your product or service and your ability to compete. Address your market share.

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2. Describe your method of selling and distribution.

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3. How do you price your product or service?

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4. Where is your market heading? Describe the trend in the industry.

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5. What are the most important factors affecting your ability to compete in the market place?

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LIST YOUR PRESENT MAJOR CUSTOMERS (10% or more of sales or top five)

<u>Name</u>	City, State <u>Phone</u>	<u>Product</u>	(%) of <u>Sales</u>

LIST YOUR PRESENT AND PROJECTED PRINCIPAL COMPETITORS (top five):

<u>Name</u>	City, State <u>Phone</u>	<u>Product</u>	(%) of <u>Market</u>

**4.7 BUSINESS CONSULTANTS**

Attorney

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Years of Affiliation: \_\_\_\_\_

Accountant

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Years of Affiliation: \_\_\_\_\_

#### **4.8 HISTORICAL FINANCIALS (please attach)**

Provide the three (3) most recent years financial statements. At minimum, this history must contain a balance sheet and income statement. Audited financials are preferred, however, other statements may be acceptable. If applicant is a business newer than 3 years, provide as many financials as available. Unaudited financial statements must be signed and dated by an authorized financial officer of the applicant business and details (terms, maturity, interest rate) must be provided on existing debt agreements. If unaudited financial statements are provided, also include federal business tax returns for the previous three years. Include personal financial statements of the principal owners (those owning 10% or more of the business.)

#### **4.9 PRO FORMAS (please attach)**

Submit pro forma financial statements reflecting the performance of the applicant under the conditions for the term of the loan for the next three years. Pro formas must include: balance sheet, income statement, statement of cash flows, and must be supported by notes and justifiable assumptions.

#### **4.10 PERSONAL FINANCIALS (please attach)**

Provide most recent year-end personal balance sheets on each principal owner (owning more than 10 percent) or guarantor, or the most recent personal federal income tax return (previous three years) for each principal. Please provide details of all existing personal debt.

#### **4.11 MANAGEMENT ORGANIZATION (please attach)**

Provide an organizational chart of the company showing key positions and functions. Also provide resumes of existing management personnel.

#### **4.12 AFFILIATE STATEMENTS (please attach)**

Provide a listing of all affiliates, subsidiaries and companies with similar ownership along with the most recent year-end balance sheet and profit and loss statement of each.

#### **4.13 APPRAISALS**

The department may require an appraisal of the project prior to loan closing and its conformance to values presented to the board. An independent appraiser must be acceptable to the board.

#### **4.14 LETTER OF COMMITMENT (please attach)**

1. Interim financing letter of commitment.
2. Permanent financing letter of commitment from regulated private lender.

#### **4.15 OTHER ENCLOSURES (please attach)**

Articles of incorporation and bylaws, or partnership agreement letters describing the legal operation of the business.

#### **4.16 BUSINESS ORGANIZATION DOCUMENTS (please attach)**

1. Brief history of the company.
2. Statement of licensing needs.

#### **4.17 LOAN GUARANTOR**

Attach a financial statement from any person(s) that are personally guaranteeing the loan application. The financial statement must include a listing of debt(s), payments, terms of the debt(s) and interest rate(s).

#### **4.18 CREDIT REPORT**

I hereby authorize the Department of Environment and Natural Resources or its designee to conduct a credit report

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Applicant

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Loan Guarantor

## 4.19 LENDER APPLICATION (to be completed by participating lender)

### Part 1: Lender Information

To the Lender:

The Solid Waste Management Program needs your participation. Borrowers from our program should bring you a proposal as would any other loan applicant. We expect you to review the proposal as you would any loan application and make your decision in the same manner. When you have made a decision, please complete the following to provide the department with your analysis of the proposal. Include any internal loan workups you have prepared. The entire application should then be forwarded to the department.

LENDER NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

NAME OF BUSINESS/BORROWER: \_\_\_\_\_

### Part 2: Long-term Loan Proposal, Interest

	<u>Amount</u>	<u>Interest Rate</u>	<u>Term</u>
TO BE HELD BY DENR:	_____	_____	_____
TO BE HELD BY BANK:	_____	_____	_____

### Part 3: Interim Financing

	<u>Maximum Amount</u>	<u>Interest Rate</u>	<u>Term</u>
CONSTRUCTION OR INSTALLATION LOAN:	_____	_____	_____
LENDER FEE:	_____	_____	_____

## **PART 4: Lender's Attachments**

### **Section A: Lender Analysis**

At a minimum, the lender must provide a copy of its loan analysis which includes comments on:

1. Management experience and capabilities;
2. Ratio analysis and trends (historical and pro forma);
3. Repayment ability;
4. Adequacy of collateral;
5. Credit experience with the applicant;
6. Business plan.

### **Section B: List of Collateral and Loan Positions**

Identify proposed collateral, guarantees, and standby agreements available to the department, as well as other loans to applicant and other liens on collateral.

### **Section C: Lender's Loan Servicing Plan**

Provide a proposed loan servicing plan for this loan. The plan shall include:

1. Quarterly Regulated Lender's Report.
2. Quarterly site visit by bank representative.
3. Assist the borrower in fulfilling the business reporting requirements.  
(Forward loan payments designated by the board on a quarterly basis.)
4. Notify the department of potential developments that may adversely affect the health or operation of the business, including late payments.

NOTE: The board has authorized DENR to negotiate with the lender on these requirements depending on extraordinary servicing responsibilities.

### **Section D: Commitment for Construction and/or Interim Acquisition Finance.**

Please provide detailed copies of your commitment letters.

Officer Submitting This Application: \_\_\_\_\_

Officer Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPLICATION CHECKLIST	ENCLOSED	N/A
1. Borrower Application	_____	_____
1A. Borrower Schedules:	_____	_____
a. Historical Financials	_____	_____
b. Pro Formas	_____	_____
c. Personal Financials	_____	_____
d. Management & Organization	_____	_____
e. Affiliate Statements	_____	_____
f. Appraisal	_____	_____
g. Letters of Commitment	_____	_____
h. Business Organization	_____	_____
i. Other Enclosures	_____	_____
2. Lender Application	_____	_____
2A. Lender Schedules	_____	_____
a. Lender Analysis	_____	_____
b. List of Collateral and Loan Positions	_____	_____
c. Loan Servicing Plan	_____	_____
d. Commitment for Construction and/or Interim Acquisition Finance	_____	_____

## **4.20 CONFIDENTIALITY STATEMENT**

South Dakota Codified Law 46A-1-98. Confidentiality of trade secrets or commercial or financial information received by the board or department. Any documentary material or data made or received by the board or the department for the purpose of furnishing financial assistance to a business pursuant to the provisions of §§ 34A-6-81 to 34A-6-85.1, inclusive; 46A-1-83 to 46A-1-84 inclusive; and 46A-1-91, to the extent that the material or data consists of trade secrets or commercial or financial information regarding the operation of such business, is not a public record, and is exempt from disclosure. Any discussion or consideration by the board may be done in executive session closed to the public.

## **4.21 CERTIFICATION**

All information contained above and in schedules attached hereto are true and complete to the best knowledge and belief of the applicant. There is no intent to deceive or defraud the Board of Water and Natural Resources or any potential participant in any loans to finance this project.

The applicant recognizes that the Department of Environment and Natural Resources or the Board of Water and Natural Resources may not process any application that is not complete. Incomplete applications will be returned to the applicant for completion.

APPLICANT BUSINESS: \_\_\_\_\_

OFFICER'S SIGNATURE: \_\_\_\_\_

OFFICER'S NAME/TITLE: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_ DATE: \_\_\_\_\_

## **4.22 GLOSSARY OF TERMS**

**BOARD:** The Board of Water and Natural Resources.

**COLLATERAL:** Assets owned by a borrower that are pledged to a lender as security for a loan.

**EMPLOYER TAX ID:** The number assigned by the IRS. If you operate the business as an individual, your social security number is your tax ID number.

**EQUITY:** Capital that has no guaranteed or mandatory return that must be paid out in any event, has no definite timetable for repayment of the capital investment, and cannot be withdrawn at the contributor's option without the permission of the superior debt holders.

**FINANCIAL STATEMENTS:** Written statements reflecting the assets and liabilities, owner's equity, and income of a business or individual. At the minimum, they should include a balance sheet, showing the assets and liabilities of the business and an income statement showing gross income, operating expenses and net income.

**INTERIM FINANCING:** Short-term lending for the construction or acquisition phase of a project based on a commitment from the board for a term loan.

**PRO FORMA:** Financial statements reflecting the estimated condition and growth of a business in the years after a loan is made based on the business plan developed by the borrower.

**TOTAL PROJECT COST:** The direct costs associated with the purchase of land; necessary site development and improvements; construction, acquisition, or remodeling of buildings and works necessary to the operation and protection of the project; purchase and installation of machinery and equipment; fees or services; approved in-kind contributions; and an adequate line of credit from a regulated lender for necessary net working capital.

**QUARTERLY LENDER'S REPORT:** Report prepared by the servicing lender to include a management report, inventory report, asset report and operations report.

## **5.0 SOLID WASTE MANAGEMENT PROGRAM**

MUNICIPALITIES, COUNTIES, AND OTHER POLITICAL ENTITIES LOAN  
APPLICATION FORM

